

**LABOR AND PUBLIC EMPLOYEES COMMITTEE
PUBLIC HEARING TESTIMONY
TUESDAY, FEBRUARY 18, 2014**

**Anne Diamond
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**SB 61, AN ACT CONCERNING WORKERS' COMPENSATION AND LIABILITY
FOR HOSPITAL SERVICES**

Members of the Labor and Public Employees Committee, thank you for the opportunity to submit written testimony in opposition of SB 61, An Act Concerning Workers' Compensation and Liability for Hospital Services.

As many of you know, the UConn Health Center is in the midst of a significant transformation. Through the Governor's and General Assembly's generous support of Bioscience CT, we are building and improving facilities to better meet the needs of patients and an expanded number of learners—future doctors, dentists, scientists and other health care professionals. Construction has employed more than 1,650 people; CT companies have been awarded 78% of our 134 construction contracts; and we have significantly exceeded state requirements for small and minority, women's and disadvantaged businesses participation. The new hospital tower is currently under construction and we are anxiously await its opening in early 2016.

The John Dempsey Hospital at the UConn Health Center is the state's only public acute care hospital and has a licensed bed capacity of 234 beds. We are laser focused on quality and safety and clinical outcomes and in many areas, lead the state and the nation. For example, time from the "door to doctor" in our emergency department over the last year has been 19 minutes on average. Our door to balloon time which measures the time between a heart attack patient's arrival at the hospital to the time he/she receives an intervention is 48 minutes; the state average is 58 minutes and the national average is 56 minutes. Patient satisfaction and easy access to the medical center and its health professionals is a top priority. We also treat everyone who comes through our doors, regardless of their ability to pay. In fact, hospital stays covered by Medicaid grew from 23.1% in fiscal year 2012 to 25.7% in fiscal year 2013. The value of the loss in FY13 to care for patients on Medicaid was approximately \$8.5 million. Uncompensated care or charity care approached \$ 1 million.

John Dempsey Hospital opposes SB 61 for three reasons: First, we have successfully negotiated with 80% of our worker's compensation providers. This bill significantly changes the method by which hospitals would be paid for workmen's compensation cases that are typically moderately to complex medical management cases and would certainly reduce reimbursement in such a manner, that hospitals would not be paid amounts to cover our costs. Second, it limits the time to identify disputes to one year from the date of payment to a hospital or one year from when the employer notifies the hospital of a dispute this is problematic because the full impact of treatment and therapies is not always realized within a year, especially for complicated injuries. Third, establishing a fee schedule for hospital services by the Commissioner eliminates the ability for hospitals to independently negotiate with providers based on the hospital's individual experiences and may, depending on the fee schedule create a disincentive by some hospitals to offer worker's compensation care.

We estimate the impact of passage of the bill to reduce revenues to JDH in excess of \$800,000 annually. The revenue loss is projected based on past experience and is dependent upon the number of workers' compensation patients seen in any given year, which cannot be predicted with accuracy but provides an estimate of magnitude. This loss of revenue impacts the hospital's ability to fund continuous quality and service improvements our patients deserve.

I urge your rejection of SB 61. Thank you for your consideration.